



## COUNCIL MINUTES

August 27, 2009

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on August 27, 2009 at 7:31 a.m.

### COUNCIL PRESENT

Mayor Scott Smith  
Alex Finter  
Dina Higgins  
Kyle Jones  
Dennis Kavanaugh  
Dave Richins  
Scott Somers

### COUNCIL ABSENT

None

### OFFICERS PRESENT

Christopher Brady  
Debbie Spinner  
Linda Crocker

#### 1. Review items on the agenda for the August 31, 2009 Regular Council Meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflicts of interest: None

Items added to the consent agenda: None

Items removed from the agenda: 4 (continued to September 14, 2009 Regular Council meeting)

#### 2. Hear a presentation and discuss the status of Federal Stimulus Funding (American Recovery and Reinvestment Act).

Government Relations Director Scott Butler and Government Relations Coordinator Brent Stoddard came forward to provide the Council with information on the status of Federal Stimulus Funding. Mr. Butler displayed a PowerPoint presentation (**see Attachment 1**) and reported that the \$787 billion authorized by Congress included \$212 billion in tax relief and \$575 billion in new spending. He advised that the first national report is due on October 10, 2009 with regard to the number of jobs created, how the money is being spent, and the status of projects. Mr. Butler said that some funds were allocated by increasing the funding to existing programs and other funds were distributed through competitive grants.

Mr. Stoddard continued the PowerPoint presentation by advising that the City of Mesa has received \$65.97 million in Federal Stimulus funds. He reported that \$7,099,746 was allocated for Public Safety related projects, including \$5,880,000 with which to hire up to 25 police officers. Mr. Stoddard advised that the City was awarded \$37,750,000 for Transportation, \$10,800,000 of which is allocated to arterial paving and reconstruction projects, \$26,200,000 to transit and \$750,000 for a multi-use pathway. He noted that in the area of Finance, the City realized \$12,500,000 in interest savings by participating in the Build America Bonds.

Mr. Stoddard said that the Water Utility was allocated \$1,271,799 and realized an additional \$704,755 in interest savings for the following projects: high efficiency pumps for reclaimed water; re-drill of well #11 in downtown Mesa; rehabilitation of old sulfide stations; and replacement of old water liens in downtown area. He added that the Water allocation included \$645,000 for the Va Shly'ay Akimel project.

In response to a series of questions from Mayor Smith, Mr. Butler stated that the annual funding from Congress for the Va Shly'ay Akimel project varies each year. He advised that the allocation of \$645,000 would enable the project's design phase to be completed. Mr. Butler explained that the City has a unique 50/50 partnership with the Salt River Pima-Maricopa Indian Community with regard to the design phase of this project, and he noted that the partnership between a municipality and an Indian community is the first of its kind in the nation.

Mr. Stoddard advised that \$2,318,932 has been allocated for Neighborhood Programs, which includes \$1.4 million for homeless prevention and outreach to homeless families. He noted that \$918,932 is a separate, one-time Community Development Block Grant (CDBG) allocation that is designated for the East Valley Men's Shelter.

Mr. Stoddard reported that staff is expecting final approval in October from the Department of Energy for energy-related projects in the amount of \$4,250,000. He advised that a Human Resources funding award of \$50,000 provided summer employment for 44 Mesa youth.

Mr. Butler outlined the grant applications submitted by the City for which funding decisions are still pending. He stated that the remaining Public Safety grant applications total \$2,039,836 for the Local Youth Mentoring Initiative and forensic collections, processing and management. Mr. Butler added that an additional \$4 million has been requested for the construction of two new fire stations.

In response to a question from Councilmember Richins, City Manager Christopher Brady explained that the City would leverage bond funds as the match to the grant funding in order to facilitate construction of the two fire stations.

Mayor Smith added that although current construction costs are lower, the savings would be insufficient to construct two fire stations. He explained that leveraging the bond funds with Federal grants would enable the City to construct two fire stations (219 and 220) instead of one.

Mr. Brady cautioned that although the capital would be available for the construction of the two fire stations, the budget includes operating expenses for only Station 219. He said that operating expenses for Station 220 would have to be addressed in future budget discussions.

Mr. Butler advised that grant applications related to Energy and Fleet operations include \$8.6 million for Smart Grid Investment enhancements, which were in the City's five-year electrical improvement plan.

Responding to a question from Mayor Smith, Energy Resources Director Frank McRae explained that Smart Grid Investment utilizes new technology to collect data from the system and the customers and assembles that data in packages to be shared with the customer.

In response to a question from Councilmember Richins, Mr. McRae confirmed that new meters that can be read remotely are a part of the Smart Grid system.

Mayor Smith stated that the Smart Grid is a tool for planning. He said that the Smart Grid refers to technology that enables the sharing of energy consumption data, which allows the utility to operate more efficiently and enables the customer to make informed decisions regarding energy usage.

Further discussion ensued relative to the fact that the Smart Grid can identify peak usage times; which enables the utility to provide the consumer with information regarding cost-effective timeframes for energy usage.

Mr. McRae advised that the grant funds would be utilized to leverage the existing CIP funds and enable the projects to be accelerated.

Responding to a question from Councilmember Higgins, Mr. McRae said that the technology could also be utilized to improve data collection for gas and water customers.

Mr. Butler continued the presentation by advising that the City applied for \$105,226 under the Clean Cities Initiative to convert two garbage trucks to electric and to cover the price differential to upgrade the purchase of seven sedans to hybrid sedans.

Mayor Smith said he was pleased that the majority of the grants are for capital items that do not create ongoing funding obligations.

Mr. Brady noted that when a match to the grant is required, the City is able to utilize dollars that are already budgeted to leverage the grant funds.

Mr. Butler noted that the majority of the grant funding for projects flows through the City and creates jobs in the private sector.

Mr. Stoddard pointed out that the City applied for funds that were designated specifically for projects such as the multi-use canal path or Va Shyl'ay Akimel. He emphasized that the City did not choose these projects as alternatives to arterial street projects or a fire station.

Mr. Butler said that the City also applied for a \$22,000 grant from the National Endowment for the Arts. He noted that Grants Coordinator Jerry Dillehay and other staff members are actively monitoring the Stimulus funds to identify future opportunities. Mr. Butler noted that organizations such as the National Conference of Mayors and the National League of Cities (NLC) are encouraging the Federal government to provide more flexibility in the grants, and he cited the Broadband Stimulus Grants as an example.

Councilmember Kavanaugh stated that he serves on the NLC Information Technology and Communications Committee, which will be meeting in Washington, D.C. in the near future. He said that the Committee has been involved in the Broadband issue, and he would like to share with the Committee any information that staff has gathered regarding the issue.

Mr. Butler advised that Stimulus Fund information is available for public review on the City's website.

Mayor Smith commended staff for effectively monitoring the opportunities available to the City.

3. Hear a presentation and discuss the Mesa Citizen Survey.

Assistant to the City Manager Natalie Lewis advised that preliminary research regarding the proposed Citizen Survey was completed by the Management Performance and Accountability Office. Ms. Lewis displayed a PowerPoint presentation (**see Attachment 2**) and stated that the City's mission is "to provide the highest level of community service in the most efficient manner." She noted that the Council's discussions regarding the economic crisis focused on restructuring and retooling the City's services. Ms. Lewis said that the proposed survey would assist in that effort by obtaining data from residents to assist the Council in making informed decisions in the future.

Ms. Lewis reported that the recommendation of the Management Performance and Accountability Office is that the City utilize "The National Citizen Survey," which is provided by the National Research Center (NRC). She reported that NRC's extensive experience working with local governments provides Mesa the opportunity to benchmark the data with other cities, including several in Arizona (Tucson, Chandler, Sedona and Scottsdale) that are currently utilizing this survey.

Ms. Lewis stated the opinion that the survey's cost of \$20,200 represented a sound investment that will assist in managing the City's budget. She advised that the NRC would randomly survey 3,000 selected households and that the anticipated return rate is twenty to thirty percent. Ms. Lewis advised that the NRC would provide an analysis of the data and benchmarking comparisons. She said that the final report would assist the City in monitoring local government trends and measuring performance in addition to comparing the City's services to the services of other cities and providing citizen-based insight for strategic planning, developing business plans and preparing budgets.

Ms. Lewis outlined the areas to be covered in the survey (see page 7 of Attachment 2). She noted that the last item, "Three unique policy questions," provides an opportunity to include specific questions related to the City of Mesa. Ms. Lewis advised that staff is developing a list of questions for Council review at a future date, and she provided a timeline (see page 8 of Attachment 2) for activities related to the survey process.

Councilmember Finter expressed concern regarding the cost of the survey. He said that after reviewing the survey form utilized by the City of Chandler, he had the impression that the survey questions were political in nature. Councilmember Finter stated that although the positive recommendation of the Management Performance and Accountability Office was reassuring, he

was concerned regarding public reaction to the cost of the survey during the current economic conditions.

Ms. Lewis suggested that the questions of a political nature referred to by Councilmember Finter may have been the three unique questions included by the City of Chandler.

Mayor Smith noted that cities are governments and governments are political entities, and he stated the opinion that any question could be construed to be a political question. He suggested that the citizens be asked to identify the most important service that the City can provide.

City Manager Christopher Brady noted that although the City puts forth considerable effort to reach out to citizens during the year by holding events such as Pancake Breakfasts, Building Strong Neighborhoods and City Hall at the Mall, the survey approach is a cost-effective tool to reach citizens who are unable to participate in these events due to various factors, such as family obligations or work schedules. He stated that the survey would be carefully reviewed to ensure that leading questions are eliminated.

Councilmember Somers said that governments should reflect the statement in the Constitution that begins, "We, the people..." He stated that the decisions made by local governments regarding the allocation of resources should reflect the priorities of the community and that public outreach is the primary method utilized to identify the priorities. Councilmember Somers expressed support for the survey, which is also supported by the ICMA (the International City/County Management Association). He stated the opinion that \$20,000 was a small price to pay to ensure that the proper priorities are established for the City.

Councilmember Richins said that a survey conducted by the Mesa Grande organization was very beneficial in developing plans and an approach to policy decisions. He added that Mr. Brady's comments placed the survey in context with other public outreach activities conducted by the City.

Councilmember Higgins expressed support for the survey, and she noted that the anticipated public outcry when Library hours were reduced did not occur. She added that the Library has reported higher service delivery during this time, and she suggested that a survey could provide this type of information.

Mr. Brady stated that conducting the survey on a regular basis, such as every other year, could provide the City with valuable benchmarking information.

Mayor Smith concurred with Mr. Brady's comments and noted that his past business experience depended upon an ongoing flow of information from his customers. He added that vocal individuals who communicate their ideas to the Council may not represent the views of the community as a whole. Mayor Smith stated the opinion that accumulating as much information as possible ensures that the City provides excellent services.

In response to a question from Councilmember Richins, Management Performance and Accountability Director Bill Follette advised that the random sample is determined by Zip Codes to ensure equal coverage throughout the City. He stated that demographic information is requested on the survey form.

Mayor Smith thanked staff for the presentation.

4. Hear reports on meeting and/or conferences attended.

There were no reports on meetings and/or conferences attended.

5. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the meeting schedule is as follows:

Thursday, August 27, 2009, 6:00 p.m. – Conversation with the Mayor Event

Monday, August 31, 2009, 5:00 – Study Session

Monday, August 31, 2009, 5:45 p.m. – Regular Council Meeting

Tuesday, September 1 - 4, 2009, 7:30 a.m. – 2009 League of Arizona Cities and Towns  
Annual Conference

Thursday, September 3, 2009 – Study Session (Cancelled)

Mr. Brady noted that the brochure prepared by The Maguire Company outlining the financial impact of the Chicago Cubs (**see Attachment 3**) was provided to each member of the Council.

6. Items from citizens present.

There were no items from citizens present.

7. Adjournment.

Without objection, the Study Session adjourned at 8:51 a.m.

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SCOTT SMITH, MAYOR

ATTEST:

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LINDA CROCKER, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 27<sup>th</sup> day of August, 2009. I further certify that the meeting was duly called and held and that a quorum was present.

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LINDA CROCKER, CITY CLERK

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Attachments (3)